

**NATIONAL
INDIAN
GAMING
COMMISSION**

September 18, 2000

Benjamin Magante Sr., Tribal Chairman
Pauma-Yuima Band of Mission Indians
P.O. Box 369
Pauma Valley, CA 92061

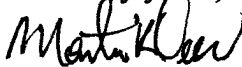
Dear Chairman Magante:

This letter is in response to your request for the National Indian Gaming Commission (NIGC) to review and approve the Pauma-Yuima Band of Mission Indians' (Band) Gaming Ordinance. In addition to the Gaming Ordinance, we reviewed the Licensing and Background Investigation Procedures. This letter constitutes approval of your submission under the Indian Gaming Regulatory Act (IGRA). It is important to note that the gaming ordinance is approved for gaming only on Indian lands, as defined in the IGRA, over which the Band has jurisdiction.

With approval of the Band's Ordinance, the Band's Tribal Gaming Commission is required to conduct background investigations on its key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official, pursuant to 25 C.F.R. § 556.5(a), and an investigative report on each background investigation, pursuant to 25 C.F.R. § 556.5(b), before the Tribal Gaming Commission issues a license to a key employee or primary management official.

Thank you for submitting the Gaming Ordinance and the Licensing and Background Investigation Procedures for review and approval. The NIGC staff and I look forward to working with you and the Band on future gaming issues.

Sincerely yours,



Montie R. Deer
Chairman

Pauma Indian Reservation

ESTABLISHED 1893

P.O. BOX 369 • PAUMA VALLEY, CA 92061 • (760) 742-1289 • FAX 742-3422

Pauma - Yuima Band of Mission Indians Resolution # 052500-2

JUL 27 2000

Whereas: the Pauma - Yuima Band of Mission Indians is a federally recognized American Indian Tribe recognized by the United States Secretary of the Interior as having jurisdiction over the Indian Lands in California which are eligible for gaming under the Indian Gaming regulatory Act (25 U.S.C. Sections 2701-2721) ("IGRA"); and

Whereas: the General Council; is the governing body of the Tribe pursuant to Article 3 of the Tribe's Constitution, having all the legislative powers and responsibilities of the Tribal Government; and

Whereas: in order to engage in Class II or III gaming, the governing body of a Tribe must adopt a gaming ordinance and have the ordinance approved by the Chairman of the National Indian Gaming Commission ("NIGC"), pursuant to the IGRA (i.e., 25 U.S.C. Subsections 2710 (b)(1)(B) and 2710 (d)(1)(A); and

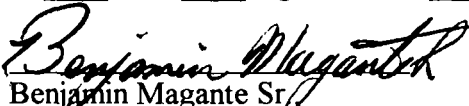
Whereas: additional procedures for conducting background investigations and licensing are necessary to implement the new Gaming Ordinance and to have the new Gaming Ordinance approved by the Chairman of the National Indian Gaming Commission pursuant to 25 C.F.R. Section 522.2(b)-(c); and

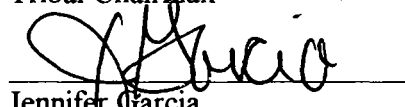
Whereas: the General Council, pursuant to Article II, Subsection 2(b) of the new Gaming Ordinance is charged with the establishment of a Gaming Commission to be responsible for the regulation of the gaming on the Pauma-Yuima Reservation;

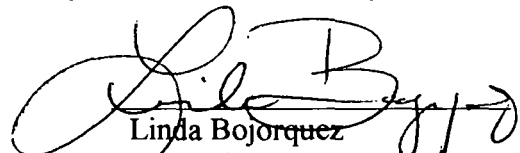
Now, Therefore Be It Resolved: that the tribe, acting through its General Council, hereby adopts the following tribal laws: Ordinance No. _____, entitled Gaming Ordinance; Gaming Regulation 001, Licensing and Background Investigation Procedures; and Ordinance No. _____, Entitled Ordinance Establishing the Pauma-Yuima Gaming Commission.

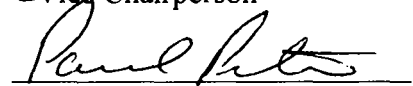
Certification

We, the undersigned business committee members of the Pauma-Yuima Band of Mission Indians do, hereby, certify that the foregoing resolutions was adopted by the General Council by a vote of 34 For, 0 Against, and 0 Abstaining.


Benjamin Magante Sr.
Tribal Chairman


Jennifer Garcia
Secretary / Treasure


Linda Bojorquez
Vice Chairperson


Paul Peters
Committee Member

ORDINANCE NO. _____

PAUMA -YUIMA BAND OF MISSION INDIANS
GAMING ORDINANCE

JUN 27 2000

ARTICLE I: PURPOSE

The Pauma-Yuima Band of Mission Indians ("Tribe"), acting through its General Council, pursuant to the Tribe's inherent authority and Article 3 of the Tribe's Articles of Association, duly ratified on June 28, 1968, hereby enacts this Ordinance in order to set the terms for class II and class III gaming operations on the Pauma-Yuima Reservation.

ARTICLE II: DEFINITIONS

Section 1. General

Unless a different meaning is clearly indicated in this Ordinance, the terms used herein shall have the same meaning as defined in the Indian Gaming Regulatory Act (25 U.S.C. § 2701 *et seq.*) and its regulations (25 C.F.R. § 500 *et seq.*).

Section 2. Special Terms

In this Ordinance:

- (a) **BAND MEMBER:** "Band member" means any individual who is duly enrolled in the Tribe in accordance with the Tribe's Articles of Association ratified on June 28, 1968 and any enrollment ordinance that may be enacted by the Tribe, as amended from time to time.
- (b) **COMMISSION:** "Commission" means the Pauma-Yuima Gaming Commission established pursuant to an ordinance duly adopted by the General Council.
- (c) **COMPACT:** "Compact" means the Tribal-State Compact between the Tribe and the State of California authorizing class III gaming activities, as required by IGRA, 25 U.S.C. § 2710(d)(1)(C) and amended from time to time.
- (d) **BUSINESS COMMITTEE:** "Business Committee" means the four-member committee authorized to represent the Tribe pursuant to Articles 3 and 6(C) of the Tribe's Articles of Association ratified on June 28, 1968.
- (e) **GENERAL COUNCIL:** "General Council" consists of all Band members who are twenty-one (21) years of age or older.
- (f) **IGRA:** "IGRA" means the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 *et seq.* and its regulations, 25 C.F.R. § 500 *et seq.*

- (g) **KEY EMPLOYEE:** “key employee” means
- (1) A person who performs one or more of the following functions: bingo caller; counting room supervisor; chief of security; custodian of gaming supplies or cash; floor manager; pit boss; dealer; croupier; approver of credit; or custodian of gambling devices including persons with access to cash and accounting records within such devices;
 - (2) If not otherwise included, any other person whose total cash compensation is in excess of fifty-thousand dollars (\$50,000.00) per year; or
 - (3) If not otherwise included, the four (4) most highly compensated persons in the gaming operation.
- (h) **NIGC:** “NIGC” means the National Indian Gaming Commission established pursuant to 25 U.S.C. § 2704.
- (i) **PRIMARY MANAGEMENT OFFICIAL:** “Primary Management Official” means
- (1) The person having management responsibility for a management contract;
 - (2) Any person who has authority to: hire and fire employees; or to set up working policy for the gaming operation; or
 - (3) The chief financial officer or other person who has financial management responsibility.
- (j) **STATE GAMING AGENCY:** “State Gaming Agency” means the entity defined in Subsection 2.18 of the Compact.
- (k) **TRIBE:** “Tribe” means the Pauma-Yuima Band of Mission Indians.

ARTICLE III: GAMING AUTHORIZED

Class II and class III gaming, as defined in 25 U.S.C. §§ 2703(7)(A) and 2703(8) and by the regulations promulgated by the NIGC at 25 C.F.R. §§ 502.3 and 502.4, is hereby authorized. The class III gaming activities authorized by this Ordinance are those gaming activities authorized under the Compact.

ARTICLE IV: OWNERSHIP OF GAMING

The Tribe, acting through the General Council, shall have the sole propriety interest in and responsibility for the conduct of any gaming operation authorized by this Ordinance.

ARTICLE V: USE OF GAMING REVENUES

Section 1. Use of Net Revenues

Net revenues from class II and class III gaming shall be used only for the following purposes:

- (a) to fund tribal government operations and programs;
- (b) to provide for the general welfare of the Tribe and its members;
- (c) to promote tribal economic development;
- (d) to donate to charitable organizations;
- (e) to help fund operations of local government agencies; or
- (f) to make contributions, as required by the Compact, to any revenue-sharing funds established for the benefit of the State or non-gaming Tribes.

Section 2. Per Capita Payments

If the Tribe elects to make per capita payments to tribal members, it shall authorize such payments only upon approval of a plan submitted to the Secretary of the Interior under 25 U.S.C. §§ 2710(b)(3).

ARTICLE VI: AUDIT

Section 1. Annual Audit

The Commission shall cause to be conducted annually an independent audit of gaming operations and shall submit the resulting audit reports to the NIGC. The annual audit shall be conducted by an independent certified public accountant, in accordance with the auditing and accounting standards for audits of casinos of the American Institute of Certified Public Accountants.

Section 2. Gaming Contracts

All gaming related contracts that result in the purchase of supplies, services, or concessions in excess of twenty-five thousand dollars (\$25,000.00) annually, except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit that is described in Section 1 of this Article.

ARTICLE VII: PROTECTION OF THE ENVIRONMENT, PUBLIC HEALTH AND SAFETY

Class II and class III gaming facilities shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety. The General Council shall adopt standards for protecting the environment and the public health and safety that are consistent with its obligations under the Compact. At a minimum, the standards for protecting the public health and safety shall include the following prohibitions:

- (a) If the Tribe permits the consumption of alcoholic beverages in a gaming facility, no person under the age of twenty-one (21) years shall be permitted to be present in any area in which class II or class III gaming activities are being conducted and in which alcoholic beverages may be consumed, to the extent required by the state Department of Alcoholic Beverage Control. No person under the age of eighteen (18) years shall be permitted to be present in any room in which class II or class III gaming activities are being conducted unless the person is en-route to a non-gaming area of the gaming facility.
- (b) Possession of firearms shall be prohibited at all times in class II and class III gaming facilities operated under this Ordinance, except for possession of firearms by state, local, or tribal security or law enforcement personnel authorized by federal, state or tribal law to possess firearms at the facilities.

ARTICLE VIII: LICENSES

Section 1. License Requirements

The following persons and entities are required to be licensed by the Commission:

- (a) All employees, including key employees and primary management officials, employed at any class II or class III gaming enterprise operated under this Ordinance;
- (b) Gaming resource suppliers required to be licensed under Subsection 6.4.5 of the Compact;
- (c) Persons extending financing, directly or indirectly, to the Tribe's gaming facility or gaming operations; and
- (d) Each place, facility, or location where class II or class III gaming is conducted under this Ordinance.

Section 2. Background Investigations

The Commission or its agents shall conduct an investigation of license applicants sufficient to make a determination under Section 3 of this Article. The Commission and its agents are authorized to receive state summary criminal history information, as defined in Subsection 11105(a) of the California Penal Code, or a copy thereof, maintained under a person's name by the California Department of Justice and shall not knowingly furnish such records or information to a person who is not authorized to receive the record or information. In conducting a background investigation, the Commission or its agent shall keep confidential the identity of each person interviewed in the course of the investigation.

Section 3. Eligibility Determination

The Commission shall review an applicant's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning an applicant's eligibility for a license. A license may not be issued unless the Commission is satisfied the applicant is a person of good character, honesty and integrity. The Commission shall not license a person if the Commission determines that the licensing of the person: poses a threat to the public interest or to the effective regulation of gaming; creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming or the carrying on of business and financial arrangements incidental thereto; or will undermine public trust that tribal gaming is free from criminal and dishonest elements and would be conducted honestly.

Section 4. Periodic Review

The Commission shall review and, if appropriate, renew each license it issues at least every two (2) years after issuance.

Section 5. Reporting

To the extent required by IGRA and the Compact, the Commission shall promptly forward applications, background investigation reports and related information to the NIGC and the State Gaming Agency and notify the NIGC and the State Gaming Agency of its decisions to deny, issue, suspend or revoke licenses.

Section 6. Additional Requirements

The General Council shall adopt, and the Commission shall implement, regulations providing for such additional licensing and background investigation requirements and procedures as it deems appropriate, provided that such additional requirements are at least as stringent as those contained in IGRA (i.e., 25 U.S.C. §2710(b)(2)(F) and 25 C.F.R. Parts 556 and 558) and the Compact.

ARTICLE IX: ENFORCEMENT

The General Council shall promulgate regulations authorizing the Commission or other agent of the Tribe to investigate reported violations of this Ordinance, other tribal gaming ordinances or regulations, IGRA or the Compact and to impose fines or other sanctions within the Tribe's jurisdiction against persons who interfere with the Tribe's obligations under this Ordinance, other tribal gaming ordinances or regulations, IGRA or the Compact.

ARTICLE X: RESOLUTION OF PATRON DISPUTES

Patrons of the Tribe's class II and class III gaming facilities who have complaints against the gaming establishment, including disputes with any management contractor or its employees, shall have as their sole remedy the right to file a petition for relief with the Commission. Complaints shall be submitted in writing no later than thirty (30) days after the occurrence of the incident on which the complaint is based. At the discretion of the Commission, the petitioner may be allowed to present evidence. The Commission will render a decision in a timely fashion and all such decisions will be final when issued. Each claim by a patron shall be limited to a maximum recovery of ten thousand dollars (\$10,000.00), and a cumulative limit of ten thousand dollars (\$10,000.00) per patron in any 12-month period.

ARTICLE XI: SERVICE OF PROCESS

The Tribe designates the Tribe's Chairperson as its agent for service of any official determination, order, or notice of violation.

ARTICLE XII: REPEAL

All prior gaming ordinances are hereby repealed.

ARTICLE XIII: SEVERABILITY

If any provision of this Ordinance shall in the future be declared invalid by a court of competent jurisdiction, the invalid provision or provisions shall be severed and the remaining provisions shall continue in full force and effect.

ARTICLE XIV: AMENDMENT OF ORDINANCE

This Ordinance may be amended or repealed upon approval by the General Council.

ARTICLE XV: EFFECTIVE DATE

This Ordinance shall become effective immediately upon its approval by the Chairman of the NIGC or ninety (90) days after the date of its submission to the Chairman of the NIGC if he or she fails to approve or disapprove this Ordinance within those ninety (90) days.

CERTIFICATION

I, the undersigned, as Secretary of the Pauma-Yuima Band of Mission Indians, do hereby certify that this Ordinance was reviewed and adopted at a General Council meeting held on June 11, 2000, by a vote of 45 in favor, 0 opposed and 0 abstaining, and that this Ordinance has not been amended or rescinded in any way.

6-14-00
Date


Tribal Secretary

Issued _____, 2000

**Pauma-Yuima Band of Mission Indians
Gaming Regulation 001**

Licensing and Background Investigation Procedures

JUN 27 2000

I. Purpose

This Regulation describes the procedures to be followed by the Pauma-Yuima Gaming Commission (the "Commission") when conducting background investigations and issuing licenses in connection with any class II or class III gaming facilities operated on the Pauma-Yuima Reservation pursuant to the Tribe's Gaming Ordinance.

II. Incorporation by Reference

This Regulation supplements the provisions of the Tribe's Gaming Ordinance, the Indian Gaming Regulatory Act (25 U.S.C. § 2701 *et seq.*) and its regulations (25 C.F.R. § 500 *et seq.*) ("IGRA"), and the gaming compact between the Tribe and the State of California (the "Compact"), which are incorporated herein. In the event of a conflict or inconsistency between this Regulation and the provisions of the Gaming Ordinance, IGRA or the Compact, the provisions of the Gaming Ordinance or the Compact prevail to the extent of the conflict or inconsistency. Unless specified otherwise, terms used herein shall have the same meaning as in the Gaming Ordinance or the Compact.

III. Scope

The following persons and entities are required to be licensed by the Commission, and as a basis for issuing a license the Commission must conduct or cause to be conducted a background investigation of those persons listed in subparagraphs A - C below:

- A. All employees, including key employees and primary management officials, employed at any class II or class III gaming enterprise operated under this Ordinance;
- B. Gaming resource suppliers required to be licensed under Subsection 6.4.5 of the Compact;
- C. Persons extending financing, directly or indirectly, to the Tribe's gaming facility or gaming operations; and
- D. Each place, facility, or location where class II or class III gaming is conducted under this Ordinance.

IV. Powers and Responsibilities

The Commission has the following powers and responsibilities:

- A. To conduct or cause to be conducted background investigations;
- B. To receive, directly or through its agents, state summary criminal history information, as defined in Subsection 11105(a) of the California Penal Code, as maintained under a license applicant's name by the California Department of Justice, and to take such measures as are reasonably necessary to prevent the release of such records or information to persons who are not authorized by law to receive the record or information;
- C. To prepare or cause to be prepared an investigative report in compliance with the Gaming Ordinance;
- D. To review and approve the investigative work done;
- E. To obtain and process fingerprints, directly or through its agents;
- F. To forward licence applications and the results of the background investigations to the National Indian Gaming Commission ("NIGC") and the State Gaming Agency, to the extent required by IGRA and the Compact;
- G. To make eligibility determinations in accordance with Section IX of this Regulation;
- H. To issue, deny, suspend, revoke and renew licenses in accordance with the provisions of this Regulation; and
- I. To maintain records on persons who have been issued or denied a license, as well as persons otherwise prohibited from engaging in gaming activities within the Tribe's jurisdiction, for a period of three (3) years from the date on which the license expired or was revoked or denied.

V. Scope of Background Investigations

The Commission shall conduct or cause to be conducted all necessary background investigations reasonably required to determine that an applicant is eligible for a license in accordance with the standard set forth in Section IX of this Regulation. The minimum procedures for conducting background investigations on applicants for licenses are as follows:

- A. Criminal history check, including a check of records maintained by the Federal Bureau of Investigations and the California Department of Justice;
- B. Civil history check;
- C. Financial and credit check;
- D. Reference check;
- E. Previous business and employment check;
- F. Relative check;
- G. Business and personal associates check;
- H. Fingerprint check; and
- I. Educational verification.

The above information submitted by the applicant may be verified by written or oral communication. The disposition of all potential problem areas noted and disqualifying information obtained shall be documented by the Commission.

VI. Cooperation

The Commission shall cooperate with the State Gaming Agency in sharing as much background information as possible, in order to maximize investigative efficiency and thoroughness and to minimize investigative costs.

VII. Fingerprinting

The Commission shall be deemed to be the Tribe's law enforcement agency for the purpose of taking fingerprints and conducting criminal history checks under this Regulation. The Commission may elect to process fingerprint cards directly on behalf of the Tribe or to process fingerprint cards through the State Gaming Agency or the NIGC and may execute such documents as may be necessary to enter into such an arrangement. Fingerprint cards shall be submitted to the Federal Bureau of Investigations and the California Department of Justice in order to obtain criminal history record information.

VIII. Confidentiality

The identity of third parties interviewed during the course of background investigations shall be kept confidential.

IX. Eligibility Determinations

The Commission shall review an applicant's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning an applicant's eligibility for a license. A license may not be issued unless the Commission is satisfied the applicant is a person of good character, honesty and integrity. The Commission shall not license a person if the Commission determines that the licensing of the person: poses a threat to the public interest or to the effective regulation of gaming; creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming or the carrying on of business and financial arrangements incidental thereto; or will undermine public trust that tribal gaming is free from criminal and dishonest elements and would be conducted honestly.

In making findings concerning the eligibility of license applicants, the Commission shall take into consideration any of the following circumstances:

- A. If the applicant knowingly and intentionally provided false statements or information or omitted relevant information on the application, or otherwise misrepresented or failed to disclose a material fact to the Commission;
- B. If the prior activities, criminal record, reputation, habits, and association indicate that the person may be a threat to the public interest or to the effective regulation and control of gaming;
- C. If association with or employment of this applicant creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;
- D. If the applicant has violated, failed, or refused to comply with the provisions, requirements, conditions, limitations, or duties imposed by any provision of the Compact or Gaming Ordinance, or possesses knowledge that such violation has occurred upon any premises occupied or operated by any such person or over which he or she has/had substantial control;
- E. If the applicant knowingly caused, aided, abetted, or conspired with another to cause any person or entity to violate any of the laws of any state, the provisions of the Compact or the Gaming Ordinance;
- F. If the applicant has ever obtained a license by fraud, misrepresentation, concealment, or through inadvertence or mistake;

- G. If the applicant has ever been convicted of, or forfeited bond upon a charge of, or plead guilty to forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payment or reports to any Tribal, State, or U.S. Government agency at any level, or filed false reports therewith, or of any similar offense(s), or of bribing or otherwise unlawfully influencing a public official or employee of a Tribe, a State, or the U.S. Government, or of any felony or misdemeanor involving any gaming activity, physical harm to individuals or moral turpitude;
 - H. If the applicant is subject to current prosecution or pending charges, or a conviction under appeal for any of the offenses listed above. Upon request of the applicant, the Commission may defer decision on the application pending the results of such prosecution or appeal;
 - I. If the applicant has demonstrated a willful disregard for compliance with a gaming regulatory authority in any jurisdiction or has ever had a gaming license issued by any State, Tribe or foreign gaming regulatory agency suspended, revoked or denied; or
 - J. If the applicant has failed to provide any information requested by the Commission within fourteen (14) days of the request for the information.
- X. Privacy Notice
- A. The following notice, or substantially similar wording contained in such standardized application forms as may be adopted by California Tribes and the State of California pursuant to the Compact, shall be placed on the license application form before that form is filled out by an applicant:

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. § 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in or do business with a gaming operation. The information will be used by the Pauma-Yuima Gaming Commission, the State Gaming Agency, and the National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe, the State Gaming Agency, or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming

operation. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to hire you or do business with you. The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

- B. Existing licensees shall be notified in writing that they shall either:
 - 1. Complete a new application form that contains a Privacy Act notice; or
 - 2. Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

XI. Notice Regarding False Statements

- A. The following notice, or such substantially similar wording contained in standardized application forms as may be adopted by California Tribes and the State of California pursuant to the Compact, shall be placed on the application form before that form is filled out by an applicant.

A false statement on any part of your application may be grounds for denial or revocation of a license. Also, you may be punished by fine or imprisonment.

(U.S. Code, title 18, section 1001.)

- B. The Commission shall notify in writing existing licensees that they shall either:
 - 1. Complete a new application form that contains a notice regarding false statements; or
 - 2. Sign a statement that contains the notice regarding false statements.

XII. Required Information - General

The Commission shall request from each applicant all of the following information:

- A. Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);
- B. Currently and for the previous five (5) years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;

- C. The names and current addresses of at least three (3) personal references, including one (1) personal reference who was acquainted with the applicant during each period of residence listed under paragraph (1)(b) of this Section;
- D. Current business and residence telephone numbers;
- E. A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;
- F. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
- G. The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
- H. For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition if any;
- I. For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), within ten (10) years of the date of the application, the name and address of the court involved and the date and disposition;
- J. For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within ten (10) years of the date of the application and is not otherwise listed pursuant to paragraph (h) or (i) of this Section, the criminal charge, the name and address of the court involved and the date and disposition;
- K. The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
- L. A current photograph;
- M. Any other information the Commission deems relevant; and
- N. Fingerprints consistent with procedures adopted by the Commission according to 25 C.F.R. §§ 522.2(h).

XIII. Required Information - Business Entities

In addition to the information required under Section XII of this Regulation, the Commission shall request from an applicant that is a business entity all of the following information, provided that two (2) or more business entities having a commonality of the characteristics identified in the following subparagraphs A - D, inclusive, may be deemed to be a single business entity:

- A. Each of its officers and directors;
- B. Each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer, and general manager;
- C. Each of its owners or partners, if an unincorporated business;
- D. Each of its shareholders who owns more than ten percent (10%) of the shares of the corporation, if a corporation;
- E. Each person or entity (other than a financial institution that the Commission has determined does not require a license under Subsection 6.4.6 of the Compact) that, alone or in combination with others, has provided financing to the business entity in connection with any gaming authorized under the Compact, if that person or entity provided more than ten percent (10%) of:
 - 1. the start-up capital;
 - 2. the operating capital over a 12-month period; or
 - 3. a combination thereof.

XIV. Reporting to NIGC

- A. When a key employee or primary management official begins work at a gaming operation authorized by this Ordinance, the Commission shall forward to the NIGC a completed application for employment and conduct the background investigation and make the determination referred to in Section IX of this Regulation. The Commission shall prepare and forward to the NIGC, within sixty (60) days after a key employee or primary management official begins work or within sixty (60) days of the approval of this Ordinance by the Chairman of the NIGC, an investigative report on each background investigation and a copy of the eligibility determination made under Section IX of this Regulation. The background investigation report shall include all of the following:

1. Steps taken in conducting a background investigation;
 2. Results obtained;
 3. Conclusions reached; and
 4. The bases for those conclusions.
- B. With respect to key employees and primary management officials, if a license is not issued to an applicant, the Commission shall notify the NIGC and may forward copies of its eligibility determination and investigative report (if any) to the NIGC for inclusion in the Indian Gaming Individuals Records System.
- C. With respect to key employees and primary management officials, the Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the NIGC or his or her designee for no less than three (3) years from the date of termination of employment.

XV. Reporting to State Gaming Agency

- A. Except for an applicant for licensing as a non-key gaming employee, as defined by agreement between the Commission and the State Gaming Agency, the Commission shall require the applicant to also file an application with the State Gaming Agency, prior to issuance of a license, for a determination of suitability for licensure under the California Gambling Control Act.
- B. Upon receipt of a completed license application and a determination by the Commission that it intends to issue a license, the Commission shall transmit to the State Gaming Agency a notice of intent to license the applicant, together with all of the following:
1. A copy of the license application materials and information received by the Commission from the applicant;
 2. An original set of fingerprint cards;
 3. A current photograph; and
 4. Except to the extent waived by the State Gaming Agency, such releases of information, waivers, and other completed and executed forms as have been obtained by the Commission.

- C. Upon receiving notice of the State Gaming Agency's denial of an application for a determination of suitability, the Commission shall promptly notify the Business Committee and, if the Commission objects to the denial, request an opportunity for the Tribe to be heard and diligently exercise its right to a hearing.
- D. With respect to non-key gaming employees, as defined by agreement between the Commission and the State Gaming Agency, the Commission shall provide the State Gaming Agency with the name, badge identification number, and job descriptions of all such employees on a monthly basis, within seven (7) days of the end of each month.

XVI. Granting a Gaming License

- A. Key Employees and Primary Management Officials. If, within a 30-day period after the NIGC receives a report, the NIGC notifies the Commission that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the Commission has provided an application and investigative report to the NIGC, the Commission may issue a license to such applicant. The Commission shall respond to a request for additional information from the Chairman of the NIGC concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30-day period until the Chairman of the NIGC receives the additional information. If, within the 30-day period described above, the NIGC provides the Commission with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Commission has provided an application and investigative report to the NIGC, the Commission shall reconsider the application, taking into account the objections itemized by the NIGC. The Commission shall make the final decision whether to issue a license to such applicant.
- B. All Employees, Including Primary Management Officials. If an applicant has completed a license application to the satisfaction of the Commission, and the Commission has conducted a preliminary background investigation, the Commission may issue a temporary license and impose such conditions thereon as it deems appropriate pending completion of the licensing process, provided that the Commission has no information suggesting the applicant would either be automatically disqualified from obtaining a license or that would cause a reasonable person to investigate further before issuing a license. The Commission may issue a regular license to a person who meets the eligibility standards set out in Section IX of this Regulation after receiving a determination of the applicant's suitability from the State Gaming Agency. In the event the State Gaming Agency denies an applicant a determination of suitability or refuses to renew a determination of suitability, the Commission shall revoke any temporary license

issued to the applicant and deny the applicant a license, except that the Commission shall have discretion to renew a license if the person is an enrolled member of the Tribe or has been continuously employed by the Tribe for at least three (3) years prior to the effective date of the Compact and also meets the following criteria:

1. The person holds a valid and current license issued by the Commission;
2. The person is not an employee or agent of any other gaming operation; and
3. The State Gaming Agency's denial of the person's application for a determination of suitability is based solely on activities, conduct or associations that antedate the filing of the person's initial application to the State Gaming Agency for a determination of suitability.

XVII. Limitation

The gaming operation shall not employ or continue to do business with a person who does not have a license that is not a temporary license after ninety (90) days.

XVIII. Identification Cards

All persons who are required to be licensed pursuant to the Gaming Ordinance shall be required to wear, in plain view at all times while in a gaming facility licensed by the Commission, identification badges issued by the Commission. The identification badges must display the person's photograph, identification number, name, and expiration date of his or her license.

XIX. Gaming Facility

- A. The Commission shall issue a separate license to each facility where class II or class III gaming is conducted under this Ordinance. The license shall be posted in a conspicuous and public place in the gaming facility at all times.
- B. The Commission shall determine and, if appropriate, certify that each gaming facility, or the modification or expansion of a gaming facility, meets the Tribe's building and safety code and the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.* based on inspection by qualified building and safety experts.
- C. The Commission shall give reasonable notice of each inspection to the State's designated agent or agents, who may accompany any such inspection. The Commission and the State's designated agent or agents shall exchange any

inspection reports within ten (10) days after completion of the report and simultaneously forward copies of such reports to Tribe's Chairperson.

- D. The Tribe is responsible for ensuring that any gaming facility condition noted in an inspection that does not meet the standards set out in paragraph B of this Section is corrected;
- E. If the State's designated agent or agents object to a certification by the Tribe's building and safety code experts that a gaming facility meets the standards set out in paragraph B of this Section, the Tribe shall make good faith efforts to address the State's concerns, but if the State does not withdraw its objection the matter will be resolved in accordance with the dispute resolution provisions of Section 9 of the Compact.

XX. Gaming Resource Suppliers

Any gaming resource supplier who, directly or indirectly, provides, has provided, or is deemed likely to provide at least twenty-five thousand dollars (\$25,000.00) in gaming resources in any 12-month period, or who has received at least twenty-five thousand dollars (\$25,000.00) in any consecutive 12-month period within the 24-month period immediately preceding application, shall be licensed by the Commission prior to the sale, lease, or distribution, or further sale, lease, or distribution, of any such gaming resources to or in connection with the Tribe's gaming facilities. The Tribe shall not enter into, or continue to make payments pursuant to, any contract or agreement for the provision of gaming resources with any person whose application to the State Gaming Agency for a determination of suitability has been denied or has expired without renewal. Any agreement between the Tribe and a gaming resource supplier shall be deemed to include a provision for its termination without further liability on the part of the Tribe, except for the bona fide repayment of all outstanding sums (exclusive of interest) owed as of, or payment for services or materials received up to, the date of termination, upon revocation or non-renewal of the supplier's license by the Commission based on a determination of unsuitability by the State Gaming Agency.

XXI. Financial Sources

Any person extending financing, directly or indirectly, to the Tribe's gaming facilities or gaming operations shall be licensed by the Commission prior to extending that financing, provided that any person who is extending financing at the time of the execution of the Compact shall be licensed by the Commission within ninety (90) days of such execution. Any agreement between the Tribe and a financial source shall be deemed to include a provision for its termination without further liability on the part of the Tribe, except for the bona fide repayment of all outstanding sums (exclusive of interest) owed as of the date of termination, upon revocation or non-renewal of the financial source's license by the Commission based on a determination of unsuitability by the State Gaming Agency. The Tribe shall not enter into, or

continue to make payments pursuant to, any contract or agreement for the provision of financing with any person whose application to the State Gaming Agency for a determination of suitability has been denied or has expired without renewal. A gaming resource supplier who provides financing exclusively in connection with the sale or lease of gaming resources obtained from that supplier may be licensed solely in accordance with licensing procedures applicable, if at all, to gaming resource suppliers. The Commission may, at its discretion, exclude from the licensing requirements of this section, financing provided by a federally regulated or state-regulated bank, savings and loan, or other federally- or state-regulated lending institution; or any agency of the federal, state, or local government; or any investor who, alone or in conjunction with others, holds less than 10% of any outstanding indebtedness evidenced by bonds issued by the Tribe.

XXII. Denial, Revocation and Suspension of License

A license may be suspended, revoked or denied upon the occurrence of any of the following:

- A. Notification by the NIGC, or by any other reliable source, that the licensee is not eligible for a license under Section IX of this Regulation;
- B. Notification by the State Gaming Agency that it intends to deny an application for a determination of suitability or a renewal of determination of suitability;
- C. The Commission has probable cause to believe that the licensee has, by act or omission, violated provisions of the Compact, the Gaming Ordinance, the Tribe's Gaming Regulations, any condition of a Conditional Gaming License, or any other Federal, State or Tribal laws or regulations;
- D. The Commission has reason to believe that the continued licensing of a person constitutes an immediate threat to the public health, safety or welfare;
- E. The Commission has reason to believe that the licensee is involved in any theft, misappropriation, misuse or abuse of Tribal assets;
- F. The licensee engages in any conduct that brings discredit or embarrassment to the Tribe's gaming operations or the Tribe, or interferes with the normal operation of the Tribe's gaming facilities;
- G. The licensee fails to disclose any required information on any State or Tribal gaming license application;
- H. The licensee fails to respond to a request from the Commission within fourteen (14) days of the date of the initial request; or

- I. The licensee's employment with the Tribe's gaming operations is terminated, voluntarily or involuntarily.

XXIII. Due Process

The denial, suspension or revocation of a license pursuant to Section XXII of this Regulation shall require:

- A. Written, certified, return receipt requested or personally hand-delivered notification of the denial, suspension or pending revocation be given to the licensee ten (10) days in advance of the proposed action;
- B. Such written notification shall include information concerning the licensee's right to a hearing, shall specify the date, time and place for the hearing, and shall also advise the licensee that failure to appear for a scheduled hearing shall forfeit any further right to appeal;
- C. The Commission shall make a ruling within three (3) days, and the licensee shall be notified in writing, within three (3) days of the ruling, of the ruling and the licensee's right to file a petition with the Commission for a rehearing within fifteen (15) days of the receipt of the written notification;
- D. If the licensee files a petition for a rehearing within fifteen (15) days of receipt of the written notification described in the preceding paragraph, the Commission shall review any additional information submitted by the licensee with the petition and notify the licensee in writing of its decision, which shall be a final decision.
- E. Notwithstanding subparagraph A above, the Commission may suspend or revoke a license without advance notice if, in the opinion of the Commission, the continued licensing of the person:
 1. falsified a license application;
 2. poses an immediate threat to the integrity of the Tribe's gaming operations;
 3. poses a threat to public health or safety; or
 4. may violate the Commission's licensing or other standards.

XXIV. Duration and Renewal

All regular licenses shall be effective for two (2) years from the date of issue. Renewal applications must be received by the Commission at least thirty (30) days prior to the expiration of the license. Upon receiving a renewal application, the Commission shall inform the applicant of his or her obligation to apply to the State Gaming Agency for renewal of his or her determination of suitability. Any licensee applying for renewal may continue to be employed or engaged under the expired license until the Commission takes action on the renewal application. Applicants for renewal shall provide updated material as requested by the Commission but shall not be required to resubmit information already available to the Commission. Additional background investigations may be performed at the discretion of the Commission. Updated criminal history checks are required.

Prior to renewing a license, the Commission shall forward to the State Gaming Agency copies of the renewal application and related documents. With respect to gaming facilities, the Commission shall provide verification to the State Gaming Agency that it has reviewed and, if appropriate, renewed a gaming facility's license.

XXV. Fees

The Business Committee shall establish a fee schedule for licenses. Application fees shall be nonrefundable, regardless of whether or not a license is issued. Such fees shall be made payable to the Pauma-Yuima Band of Mission Indians.

CERTIFICATION

I, Jennifer Garcia, as Secretary of the Pauma-Yuima Band of Mission Indians, do hereby certify that this Regulation was reviewed and adopted at a General Council meeting held on June 11, 2000, by a vote of 45 in favor, 0 opposed and 0 abstaining, and that said Regulation has not been amended or rescinded in any way.

6-14-00
Date

J. Garcia
Tribal Secretary